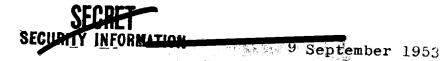
NSC BRIEFING



DEVELOPMENTS IN SOUTHEAST ASIA

(Burma)

The Burmese have all but given up hope that the four-power committee in Bangkok will be able to arrange the evacuation of Chinese Nationalist troops from Burma. Rangoon is planning to raise the issue again in the UN. It is also preparing to resume large-scale military operations against the Nationalists. Should these actions prove fruitless, there is evidence that the Burmese may feel compelled to seek Chinese Communist assistance in eliminating the Nationalists.

Four-power negotiations continue to be marked by the stalling tactics of the Nationalist representative, acting upon specific instructions from Taipei. Moreover, there are increasing indications that the Nationalist forces are still being supplied from Thailand by both land and air. These developments suggest that Taipei at best is contemplating only a token withdrawal, even if an evacuation agreement is reached at the Thai capital.



(Burma)

NSC -10 Syst 63

PROBABLE PRO-COMMUNIST ACTIVITIES OF NEW INDONESIAN CABINET

- Gradual replacement of moderate and anti-Communist officers in armed forces and police by extreme nationalists and pro-Communists is anticipated.
- 2. Replacements and infiltration in ministerial staffs have already begun.
- 3. National elections, previously the chief hope for countering Communist strength, have been further postponed by new government which is expected to use additional time to infiltrate electoral apparatus and thus control the elections

SECULITY INFORMATION

Government support of Communist labor movement is very likely. Prime

Minister has suggested that only one union have bargaining rights in

each industry, development which would directly aid program of SOBSI,

Communist labor federation and the largest in Indonesia.

- Communist-influenced dissidence, in spite of government statements, may be ignored and thus far has been.
- Restrictions upon foreign investment, in addition to encouragement of .

 labor difficulties, are likely and will further retard nation's economic recovery.

 (Indonesia)



7. Nationalization of Dutch oil wells in North Sumatra has been hinted.

(Indonesia)



(Thuiland)



NSC Sym S.

Thailand police have arrested fourteen persons, including the air force chief of staff, on charges of plotting to overthrow the government in connivance with Vietnamese Communists.

25X1C has reported that the plotters

were actually abetted by the Thai king. If this fact becomes widely known 25X1C

Premier Phibun would have to ask the king to abdicate.

There has been no further evidence indicating that such a development is imminent. Should it occur, the prospects are that the ruling military

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SECRET INFORMATION

clique would seek to dominate a regency that would rule for the king's infant son. These events are not expected to jeopardize Thailand's security.

(Thailand)





NSC - 10 Sept 53

(Philippines)

In the Philippines, the present campaign for the November presidential and senatorial elections is becoming increasingly heated. There are numerous indications that the Liberal Party is preparing to use fraud and force. Considerable evidence exists that Liberal leaders are seeking to obtain a Huk "surrender" by offering easy terms. They believe such a settlement would greatly enhance their election prospects. The American embassy, on the other hand, is deeply concerned that such a



SECURITY INFORMATION

development would provide the Huks an opportunity to further their current infiltration tactics. This would be a serious threat to Philippine security.

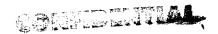
President Quirino is on the verge of appointing a notoriously corrupt political general to the post of secretary of defense. This officer was Armed Forces chief of staff in 1949 and used the Army to support Quirino in the fraudulent elections that year. Finally, there is the possibility that Liberal leaders will resort to extreme

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(Philippines)

SECURITY INFORMATION



measures to prevent Vice President Lopez, now running for the Senate on the anti-administration Magsaysay ticket, from succeeding to the presidency should the gravely-ill Quirino die before November. Should the Movember elections take place in an atmosphere of fraud and violence, Magsaysay's fight for election will be made very difficult.



(Philippines)

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